

# City of New Orleans 2021 Operating Budget

**Administration of Mayor LaToya Cantrell** 

October 26, 2020

### **Contents**

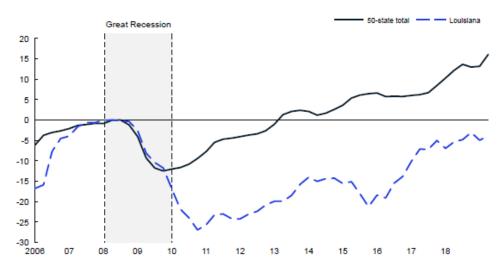
- 1. Impacts of COVID-19
- 2. Cantrell Administration's 2021 Strategic Framework and Budget Priorities
- 3. 2021 Budgetary Considerations
- 4. 2021 Revenue
- 5. 2021 Expenditures

# Impacts of COVID-19

### **Economic Impact of COVID-19**

Significant economic impact is expected throughout 2020 and into 2021

#### LOUISIANA TAX REVENUES HAVE NOT YET RECOVERED FROM THE 2008 GREAT RECESSION



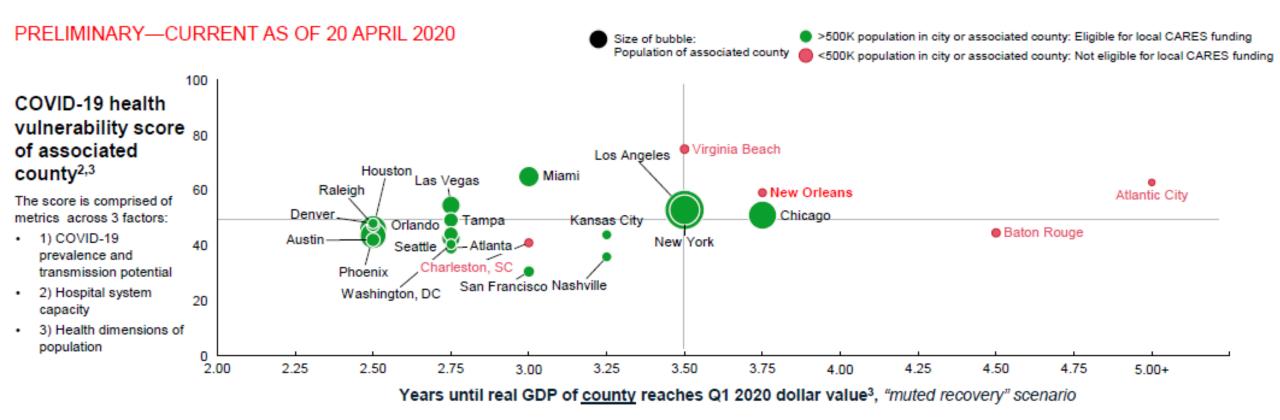
LOUISIANA TAX REVENUE STREAMS IN PRIOR CRISES  HISTORICAL YEAR OVER YEAR CHANGE IN GDP AND TAXES							
	GREAT RECESSION (2009)	POST KATRINA					
GDP	-4%	-20%					
Individual Income Tax	-7%	-28%					
Sales Tax	-12%	-26%					
Corporate Tax	-4%	24%					
Excise Tax	-9%	-38%					
Other Tax	-16%	-1%					
Total Lost Revenue	-13%	-20%					

- US Real GDP declined 5.0% in Q1.
- US Real GDP declined 32.9% in Q2.
  - This represents the sharpest economic contraction in modern American history.
- Louisiana Real GDP declined 6.6% in Q1.
- Louisiana Real GDP declined 34.1% in Q2.
- Unemployment Insurance (UI) Claims
  - Since reopening, the City has averaged 44K total UI Claims per week.



### New Orleans is Uniquely Vulnerable and Could Struggle to Recover

COVID-19 health vulnerability vs. Years until real GDP reaches Q1 2020 for selected peer cities





# **Sensitivity Analysis**

Hypothesis-based sensitivity. Not meant to be a firm view

PRELIMINARY—CURRENT AS OF 13 APRIL 2020

as an input for planning	A1 "Mutad Basayany"
Done for the purposes of test	ing extreme scenarios only
Trypotricala-based serialityity.	Not meant to be a firm view.

as an input for plan	ning	A1 "Mute	A1 "Muted Recovery"			ensitivity		\$150M Se	ensitivity		\$170M Sensitivity		
	2020 Baseline Budget <sup>1</sup> , \$M	Revised Revenue, \$M	% Baseline	Revenue Loss, \$M	Revised Revenue, \$M	% Baseline	Revenue Loss, \$M	Revised Revenue, \$M	% Baseline	Revenue Loss, \$M	Revised Revenue, \$M	% Baseline	Revenue Loss, \$M
Sales Taxes	240.4	195.1	81%	45.2	148.7	62%	91.7	131.5	55%	108.9	115.7	48%	124.6
Property Taxes	164.6	156.3	95%	8.2	156.5	95%	8.1	156.5	95%	8.1	156.5	95%	8.1
Utility Taxes	12.4	11.2	90%	1.3	11.7	94%	0.7	11.5	93%	0.9	11.5	92%	0.9
Other Taxes	11.5	10.0	87%	1.5	9.5	83%	2.0	9.2	80%	2.3	8.9	77%	2.6
Licenses & Permits	77.0	71.6	93%	5.3	73.5	96%	3.4	72.8	95%	4.1	72.5	94%	4.5
Intergovernmental	12.1	12.1	100%	-	12.1	100%	-	12.1	100%	-	12.1	100%	-
Service Charges	98.6	90.9	92%	7.7	93.2	95%	5.4	92.4	94%	6.3	91.8	93%	6.9
Fines & Forfeits	39.2	28.4	72%	10.9	28.0	71%	11.3	27.1	69%	12.2	25.2	64%	14.0
Interest Income	5.5	1.4	25%	4.1	0.9	17%	4.6	0.9	17%	4.6	0.9	17%	4.6
Other Revenues	30.3	30.3	100%	-	27.6	91%	2.8	27.1	89%	3.2	26.6	88%	3.8
Non-Recurring Revenues	30.2	30.2	100%	-	30.2	100%	-	30.2	100%	-	30.2	100%	-
General Fund Revenues	721.9	637.6	88%	84.3	591.9	82%	130	571.4	79%	150	551.8	76%	170

<sup>1.</sup> As provided in City of New Orleans 2020 Proposed Budget Book, released in October 2019



### **Revenue Recovery Scenarios**

Hypothesis-based sensitivity. Not meant to be a firm view. Done for the purposes of testing extreme scenarios only as an input for planning

#### Major events

Non-grocery/drug retail

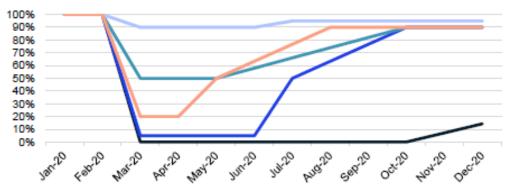
Utilities

Traffic

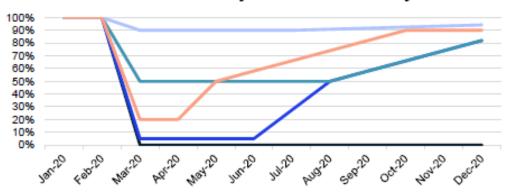
### A1 "Muted Recovery"

- Accommodation and food services GDP declines by 25% year over year
- Retail GDP declines by 13%
- Utilities GDP declines by 10%
- Traffic-related fines decline by 30%

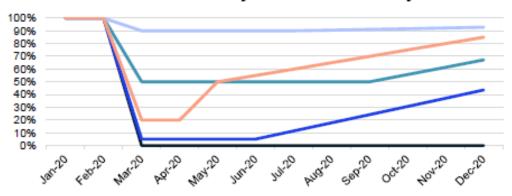
### \$130M Sensitivity Revenue Recovery



#### \$150M Sensitivity Revenue Recovery



#### \$170M Sensitivity Revenue Recovery



\$130M sensitivity assumes YoY declines of 48% in hotel, 23% in non-grocery/drug retail, 6% in utilities, 27% decline in traffic. Averages are weighted by seasonality. \$150M sensitivity assumes YoY declines of 57% in hotel, 33% in non-grocery/drug retail, 7% in utilities, 30% decline in traffic. Averages are weighted by seasonality. \$170M sensitivity assumes YoY declines of 68% in hotel, 39% in non-grocery/drug retail, 8% in utilities, 35% decline in traffic. Averages are weighted by seasonality.



# City of New 2020 Orleans Budget Overview

2020 Revised Revenue Forecast

		FY20 Pre COVID-19 Budget	FY20 COVID-19 Revised Budget	FY 20 Estimated Impact	% Change
Sales and Other Taxes		\$264.3M	\$194.7M	(\$69.6M)	<b>↓</b> 26%
Property Taxes		\$167.2M	\$167.5M	\$0.3M	↑ 0.2%
Licenses and Permits		\$77.0M	\$70.8M	(\$6.2M)	<b>↓</b> 8%
Intergovernmental		\$21.5M	\$26.4M	\$4.9M	<b>↓</b> 23%
Service Charges*		\$98.6M	\$138.0M	\$39.4M	<b>†</b> 40%
Fines and Forfeits		\$39.2M	\$13.2M	(\$26.0M)	<b>↓</b> 66%
Miscellaneous**		\$35.8M	\$64.9M	\$29.1M	<b>†</b> 81%
Other Financing Sources		\$22.3M	\$4.5M	(\$17.8M)	<b>↓</b> 80%
	TOTAL	\$725.9M	\$680.0M	(\$45.9 <b>M</b> )	<b>↓ 6</b> %

<sup>\*</sup> Includes Increased One-Time Revenue from Harrah's

<sup>\*\*</sup> Includes CARES Act Funding



# **CARES Act Funding**

**\$524M** was made available to Parishes from the State of Louisiana's **\$1.8B** CARES Act Allocation

- CARES funding allows for parishes to be reimbursed for non-budgeted costs incurred on COVID-19 response (payroll and operations)
- Parish allocations are based on a weighted average. Disbursements for subsequent tranches will be recalculated using updated COVID-19 cases and population data
- Allocations are issued to parishes in 4 tranches

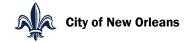
TRANCHE	FORMULA FOR TOTAL PARISH ALLOCATION	EXPENSE REIMBURSEMENT PERIODS	APPLICATION PERIODS	AVAILABLE FUNDING FOR ORLEANS PARISH
1	70% COVID-19 Cases & 30% Total Population	Mar 1 – Apr 30, 2020	June 1 – June 15, 2020	\$43,405,295.00
2	70% COVID-19 Cases & 30% Total Population	May 1 - June 30, 2020	July 1 – July 15, 2020	\$9,023,283.00
3	70% COVID-19 Cases & 30% Total Population	July 1 – Aug 30, 2020	Sept 1 - Oct 22, 2020	\$7,401,428.00
4	TBD	Sept 1 - Oct 31, 2020	Nov 1 - Nov 15, 2020	TBD



## **CARES Act Funding (Cont'd)**

All entities located in a Parish apply for reimbursement from the same local allocation

		TRANCHE 1			TRANCHE 2		TRANC	HE 3	TRANC	HE 4	TOTALS IN	ICLUDING EST
APPLICANT	TOTAL REQUEST	TOTAL APPROVED	TOTAL PAYMENT	TOTAL REQUEST	TOTAL APPROVED	TOTAL PAYMENT	TOTAL REQUEST	EST PAYMENT	TOTAL EST REQUEST	EST Payment	PAYMENTS	CARRY FORWARD
City of New Orleans	\$41,507,261	\$39,075,270	\$38,298,008	\$38,760,412	\$38,760,412	\$7,571,544	\$52,294,951	\$6,530,254	\$45,404,148	\$0	\$52,399,806	\$123,134,975
Orleans Parish Sheriff Office	\$5,995,167	\$3,909,240	\$3,831,480	_		\$691,321	-	-	\$2,683,661	\$0	\$4,522,801	\$2,070,100
Orleans Parish Communications District	\$1,079,461	\$906,351	\$888,323	\$1,218,453	\$1,218,453	\$238,015	\$2,006,632	\$250,575	\$667,547	\$0	\$1,376,913	\$3,422,070
Criminal District Court	\$776,693	\$14,958	\$14,660	\$15,843	\$15,843	\$3,095	-	-	\$10,531	\$0	\$17,755	\$23,577
Port of New Orleans	\$440,230	\$373,087	\$365,666	\$782,659	\$740,579	\$144,666	\$2,601,315	\$324,835	\$649,639	\$0	\$835,167	\$3,529,453
French Market Corp	\$7,303	\$7,303	\$7,158	\$16,789	\$16,231	\$3,171	\$4,895	\$612	\$13,728	\$0	\$10,941	\$31,216
Audubon Commission	-	-	-	\$989,545	\$811,843	\$158,587	\$269,837	\$33,695	\$473,575	\$0	\$192,282	\$1,362,973
City Park	-	-	-	-	-	-	\$163,869	\$20,463	-	\$0	\$20,463	\$143,406
Superdome/Smoothie King Center	-	-	-	-	-	-	\$1,507,632	\$188,263	-	\$0	\$188,263	\$1,319,369
Orleans Parish Justice Center	-	-	-	-	-	-	\$25,235	\$3,151	-	\$0	\$3,151	\$22,084
OP District Attorney	-	-	-	-	-	\$209,533	\$348,539	\$43,523	-	\$0	\$253,056	\$95,483
OP Crimincal District Court	-	-	-	-	-	\$3,351	\$48,503	\$6,057	-	\$0	\$9,408	\$39,095
TOTAL	\$49,806,115	\$44,286,209	\$43,405,295	\$41,783,701	\$41,563,361	\$9,023,283	\$59,271,408	\$7,401,428	\$49,902,829	\$0	\$59,830,006	\$135,193,801



2

# Cantrell Administration's 2021 Strategic Framework and Budget Priorities

# Forward Together - Strategic Framework

The Cantrell Administration's Strategic Framework was designed to prioritize the issues that matter most to New Orleanians



Ensure Criminal Justice efforts result in a safer community
Prevent crime and end cycles of violence
Provide accountable emergency response
Prepare for natural and manmade disaster & mitigate environmental hazards

Modernize citywide infrastructure Repair and maintain infrastructure Improve accountability and transparency for the Sewerage and Water Board

Develop a housing package
Improve and expand CleanUpNOLA
Prioritize the needs of marginalized populations
Promote healthy living among New Orleanians
Connect, coordinate, and improve multi-modal transit
Provide cultural and recreational opportunities for youth and families

Invest in our people
Focus on intergenerational economic development
Prioritize place-based development
Maximize public-private partnerships and incentives for clear outcomes

Make the City the best workplace in New Orleans
Modernize the City's finances and business processes
Adopt technologies and innovations that help City employees work smarter
Commit to meaningful open data and transparency
Make city government accessible to residents when and where they need it

### **2021 Budget Priorities**

The City has identified three budget priorities for the 2021 budget

# **COVID-19 Pandemic Economic Recovery**



The Cantrell Administration fully understands the realities facing our residents and businesses as we work collectively to recover from the devastating impact of COVID-19 on our local economy and individual livelihoods. Mayor Cantrell is urging federal and state officials to provide additional resources to individuals, businesses, and municipalities.

# **Expanding Affordable Housing**



The City's affordable housing crisis long pre-dates the current challenges presented by the COVID-19 pandemic. The Cantrell Administration is working harder than ever to preserve and expand housing opportunities and adding more tools to combat the crisis – this means building partnerships, developing innovative policies, and pushing legislation at all levels of government.

# **Continued Leadership on Climate Change and Equity**



The Cantrell Administration will continue to drive innovative infrastructure, energy, and policy solutions that mitigate the impact of climate change. Further, the Administration will not relent in its promise to bridge the digital divide and increase digital equity, which is paramount to ensuring that our residents have access to the services and resources necessary to thrive in the increasingly digital world.









### **Mass Feeding Program**

The City rolled out the first of its kind mass meal program in partnership with FEMA to provide over 1 million meals to residents per month. This program also utilized over 70 local restaurants to ensure that the local hospitality industry benefited from the program.

### **Emergency Rental Assistance Program**

Mayor Cantrell in April 2020, early in the pandemic, quickly activated a \$2.8 million Emergency Rental Assistance Program that initially saw over 8,000 applicants. The program opened for a second round of relief in July 2020.













### **Outdoor Dining Grant Program**

In order to boost our local restaurant and bar industry, the City started the Outdoor Dining Grant Program to assist restaurants and bars with adapting to new regulations by offsetting costs associated with converting outdoor areas to seating for patrons.





### **Creating Affordable Housing Units**

In 2019, the city created 850 new housing units with Notice of Funding Availability. Currently, there are 652 units under construction, with 846 units in predevelopment. Additionally, the City has directed over \$20 million to be used for affordable housing units, with millions more to be awarded to projects that align with the Administration's housing priorities

### **Down Payment Assistance**

To promote home ownership, the Administration has set aside \$3 million for down payment assistance to get aspiring homeowners into their own home.













### **FANO/LHC Partnership**

Mayor Cantrell has also worked to reduce barriers to affordable housing by entering into a cooperative endeavor agreement with the Finance Authority of New Orleans (FANO) and the Louisiana Housing Corporation (LHC) to allow the local issuance of multi-family bonds to be leveraged against Low Income Housing Tax Credits. The partnership will reduce delays so that more affordable units are swiftly brought online.







# C40 CITIES



### **C40 Mayor's Climate Leadership**

Mayor Cantrell is a member of the C40 Mayor's Climate Leadership group. This group of Mayor's from around the world are on the frontlines and committed to leading the way towards a healthier and more sustainable future. Representing 700+ million citizens and one quarter of the global economy, mayors of the C40 cities are committed to delivering on the most ambitious goals of the Paris Agreement at the local level, as well as to cleaning the air we breathe.

### **Green Infrastructure**

Green infrastructure investment is central to the sustainability and future of New Orleans and will remain a top priority for the Cantrell Administration. These investments enhance and encourage natural processes to reduce flood risks and slow subsidence and improve air, earth & water quality. Additionally, the Administration will continue the build out of bicycle lanes through the Moving New Orleans Bikes Initiative, an effort to improve the safety of people riding so more people can choose bicycles for transportation.











### **Digital Equity**

Building on her Digital Equity initiative, Mayor Cantrell is committed to bridging the digital divide in New Orleans and central to that is ensuring that all residents of the city have access to the internet. Launching a public Wi-Fi Pilot with intentions to roll out on a larger scale will ensure that residents can take advantage of all opportunities available to them.

# 3

# 2021 Budgetary Considerations

# **Expiring Millages**

The City intends to ask voters for an "in lieu of" millage rededication of **5.82 mills** during the **December 5**<sup>th</sup>, **2020** election.

- The rededication of these millages is critical, as property taxes are the City's most stable source of recurring revenue post COVID-19.
- The rededication will give the City the flexibility needed to ensure the City can continue to spend these funds as needs change in the future.

### Millages Set to Expire on December 31st, 2021

- Street and Traffic Control Devices (1.77 mills)
- Public Library (2.58 mills)
- Neighborhood Housing Improvement Fund (0.91 mills)
- Economic Development Fund (0.00 mills)
- Capital Improvements and Infrastructure (0.56 mills)

If voters approve, the rededicated millages will take effect on January 1st, 2021.



# Proposed Millage Rates, Revenues, & Uses

2019 AND 2020 MILLAGES	2021 PROPOSED MILLAGES	2019 MILLAGE RATE	2020 MILLAGE RATE	2021 PROPOSED MILLAGE RATE	2019 IMPLIED REVENUE	2020 ESTIMATED REVENUE*	2021 ESTIMATED REVENUE*
Street & Traffic Control Devices  Capital Improvements and Infrastructure	Infrastructure & Maintenance	3.72	2.33	2.619	\$13.5M to \$14M	\$9.5M to \$10M	\$10.5M to \$11M
Public Library	Library and Early Childhood Education	3.14	2.58	0.987	\$11.5M to \$12M	\$10.5M to \$11M	\$4.0M to \$4.5M
Neighborhood Housing Improvement Fund (NHIF)	Housing	0.91	0.91	1.05	\$3.0M to \$3.5M	\$3.5M to \$4M	\$4.5M to \$5.0M
Economic Development Fund (EDF)	Economic Development	0.91	0.00	1.164	\$3.0M to \$3.5M	\$OM	\$4.5M to \$5.0M
	TOTAL	8.68	5.82	5.82	\$31M to \$33M	\$23.5M to \$25.5M	\$23.5M to \$25.5M

<sup>\*</sup>Note that these revenue estimates do not account for new construction or impacts of the phase-in



- Maintenance and repair of existing roads, streets, bridges, drainage systems, and facilities
- Purchase and maintenance of items with a life span of less than 10 years, such as vehicles, computers, and software



# ECONOMIC DEVELOPMENT

- Reinvesting in the City's own economic and workforce development capacity (staffing and programming)
- Investing in priority industries and projects
- Workforce Development/Readiness
- Place-based Economic Development



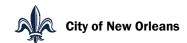
### HOUSING

- Rental Housing Development
- Homeownership Support
- Permanent Land Trusts
- Program Client Support
- Housing Related Plans/Studies
- HOME Match Requirement



### LIBRARY & FCF

- Support library operations, programming, and initiatives
- \$1.5M investment in Early Childhood Education



## **Estimated Taxpayer Impact in 2021**

The tax bill for residence with a 2021 Fair Market Value of \$200,000 and a homestead exemption is reduced by about \$1.50 per month or \$18 per year

Decrease in Annual Taxes Based On Fair Market Value*										
Fair Market Value Of Home/Property	\$100,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000	\$750,000	\$1,000,000
Residence With Homestead Exemption	-\$3.58	-\$17.88	-\$25.03	-\$32.17	-\$39.33	-\$46.48	-\$53.63	-\$60.78	-\$96.52	-\$132.28
Residence Without Homestead Exemption	-\$14.30	-\$28.60	-\$35.75	-\$42.90	-\$50.05	-\$57.20	-\$64.35	-\$71.50	-\$107.25	-\$143.00
Commercial Structures And Personal Property	-\$21.45	-\$42.90	-\$53.63	-\$64.35	-\$75.08	-\$85.80	-\$96.52	-\$107.25	-\$160.88	-\$214.50
Public Service Property	-\$35.75	-\$71.50	-\$89.38	-\$107.25	-\$125.13	-\$143.00	-\$160.88	-\$178.75	-\$268.13	-\$357.50

Decrease in Monthly Taxes Based On Fair Market Value*										
Fair Market Value Of Home/Property	\$100,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000	\$750,000	\$1,000,000
Residence With Homestead Exemption	-\$0.30	-\$1.49	-\$2.09	-\$2.68	-\$3.28	-\$3.87	-\$4.47	-\$5.06	-\$8.04	-\$11.02
Residence Without Homestead Exemption	-\$1.19	-\$2.38	-\$2.98	-\$3.57	-\$4.17	-\$4.77	-\$5.36	-\$5.96	-\$8.94	-\$11.92
Commercial Structures And Personal Property	-\$1.79	-\$3.57	-\$4.47	-\$5.36	-\$6.26	-\$7.15	-\$8.04	-\$8.94	-\$13.41	-\$17.88
Public Service Property	-\$2.98	-\$5.96	-\$7.45	-\$8.94	-\$10.43	-\$11.92	-\$13.41	-\$14.90	-\$22.34	-\$29.79

<sup>\*</sup> Assumes no savings to the taxpayer from the phase-in; eligible taxpayers will pay less from 2021-2022

### Assuming a reduction of the aggregate millage of 1.43 mills



<sup>\*</sup> Does not include impact from millages out of the City's purview

# **Ongoing Financial and Operational Initiatives**

The Administration is undertaking efforts to mitigate the impacts of COVID-19 revenue losses while maintaining City Operations.

### **Financial**

- Hiring Freeze
- Spending Freeze
- Non-Essential Travel Freeze
- Proposed 26 Furlough Days in 2021
  - Excludes employees making less than \$30K per year
- Cuts to contractual obligations
  - All City vendors were asked to institute a 10% cut to contracts
- Increased use of Special Funds
- Shifting pressures from the operating budget to the capital budget

### **Operational**

- Consolidations of Departments
  - OBES
  - VCC/HDLC
  - Others currently under consideration
- Re-negotiations of existing City contracts
- Security and janitorial consolidation in City buildings
- Reductions in cell phones, cable, and copy machines services
- Operational shifts in response to COVID-19
- New technology across City Departments
  - BRASS, Questica, Tyler
  - Moving toward paperless reporting (including financial reports and the Budget Book)



# **Zero-Based Budgeting**

2020

Zero-based budgeting (ZBB) inventories all City services and provides a framework for using the annual budgeting process to evaluate all City expenditures and services. In order to allocate sufficient resources to the rollout of the new budget system required as a result of the cyber attack, full implementation of ZBB is still on going and remains a priority.

# **Develop and Test**

Build and Expand

2021 Fu

# Full Implementation

2022

- Developed ZBB Framework
- Established services and conducted detailed fiscal analysis for five pilot departments
  - DPW
  - JJIC
  - NORD-C
  - NOPD
  - Safety & Permits

- Created citywide inventory of services
- Developed performance measurement frameworks
- Conducted detailed expenditure analysis for four additional departments
  - NOEMS
  - NOFD
  - Parks and Parkways
  - Code Enforcement

- Fully transition all departments to ZBB process with FY22 budgeting allocations made by service
- Develop cost per service metrics
- Institutionalize financial and performance monitoring process

# 2021 Revenue

### **General Fund Revenue Forecast**



2020 Forecast	2021 Forecast	Annual Change
\$167.5M	\$168.2M	+70.0K
\$194.7M	\$212.7M	+18.0M
\$70.8M	\$74.2M	+3.4M
\$26.4M	\$30.2M	+3.8M
\$138.0M	\$94.5M	-43.5M
\$13.2M	\$27.8M	+14.6M
\$64.9M	\$15.0M	-49.9M
\$4.5M	\$10.9M	+6.4M
\$680.0M	\$633.5M	-46.5M
	\$167.5M \$194.7M \$70.8M \$26.4M \$138.0M \$13.2M \$64.9M	Forecast         Forecast           \$167.5M         \$168.2M           \$194.7M         \$212.7M           \$70.8M         \$74.2M           \$26.4M         \$30.2M           \$138.0M         \$94.5M           \$13.2M         \$27.8M           \$64.9M         \$15.0M           \$4.5M         \$10.9M

<sup>\*</sup>Columns may not add due to rounding



## **Recurring vs One-Time General Fund Revenue**

The City's availability of one-time general fund revenue will decrease by over 78% in 2021, while recurring general fund revenue will increase by almost 9%.



## **Fund Balance Planning Projections**

The Administration continues to protect the fund balance, in order to preserve the fiscal health of the City in 2021 and beyond.

General Fund Balance Planning Outlook								
	2019 Forecast	2020 Forecast	2021 Projected	2022 Projected	2023 Projected	2024 Projected		
Anticipated GF Surplus/(Deficit)	\$7,118,614	-	-	(\$27,301,923)	(\$45,006,324)	(\$63,984,871)		
Beginning Balance	\$46,748,315	\$ 53,866,929	\$53,866,929	\$43,064,970	\$15,763,047	(\$29,243,277)		
TOTAL USE OF FUND BALANCE	-	-	(\$10,801,959)	-	-	-		
NET CHANGE TO FUND BALANCE	\$7,118,614	-	(\$10,801,959)	(\$27,301,923)	(\$45,006,324)	(\$63,984,871)		
Adjusted Fund Balance	\$53,866,929	\$53,866,929	\$43,064,970	\$15,763,047	(\$29,243,277)	(\$93,228,147)		
Obligated to Savings Fund	(\$28,932,578)	(\$30,826,766)	(\$32,378,791)	(\$32,884,454)	(\$32,987,874)	(\$32,941,574)		
Adjusted Fund Balance Less Savings Fund	\$24,934,351	\$23,040,163	\$10,686,179	(\$17,121,407)	(\$62,231,151)	(\$126,169,721)		

THESE CALCULATIONS ASSUME ALL REVENUES AND EXPENDITURES MATERIALIZE. ACTUAL PERFORMANCE WILL DETERMINE THE END OF THE YEAR SURPLUS/(DEFICIT)

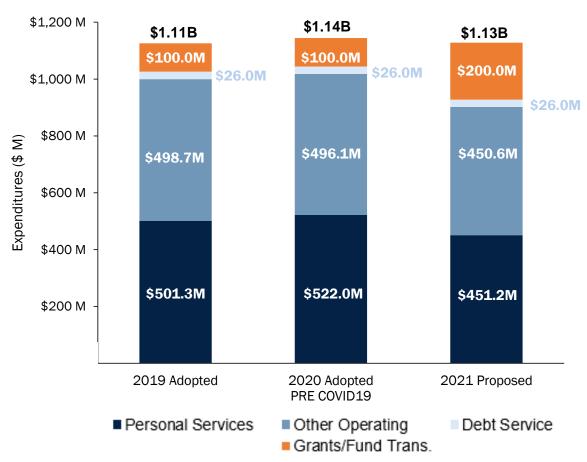


# 5

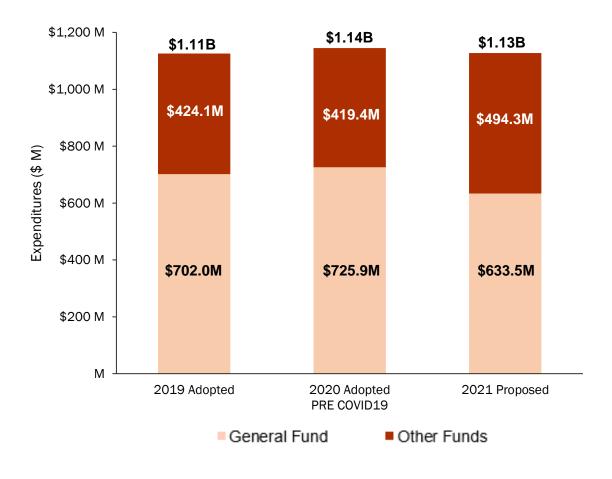
# 2021 Expenditures

# **2021 Proposed Budget**

### **EXPENDITURES**



### **FUNDING SOURCES**

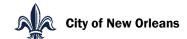




### **Key Changes in General Fund Expenditures for 2021**

Excludes Debt Service and City Light Bill

	Department	% Variance
	EMS	-17.0%
	Fire	-8.2%
Public Safety	NOPD	-6.4%
	NOPD - Consent Decree	2.1%
	NOHSEP	-24.0%
	Mayor – Core	-22.6%
	Cultural Economy	-36.6%
Mayor's Office	Neighborhood Engagement	-28.5%
Mayor's Office	Office of Transportation	-25.7%
	Office of Utilities	-62.8%
	Youth and Families	-21.8%



### **Key Changes in General Fund Expenditures for 2021**

Excludes Debt Service and City Light Bill

	Department	% Variance
Administrative	CAO	-22.6%
	City Council	-25.0%
	Civil Service	-30.3%
	Finance	-23.3%
	ITI	-17.3%
	Law	-31.7%
	Supplier Diversity	-29.2%
OBES	Economic Development	-30.4%
	City Planning Commission	-38.3%
	Historic District Landmarks Commission	-36.3%
	Safety and Permits	-25.0%
	Vieux Carré Commission	-42.7%



### **Key Changes in General Fund Expenditures for 2021**

Excludes Debt Service and City Light Bill

	Department	% Variance
Courts	Civil Court	0.0%
	Clerk of Criminal District Court	21.3%
	Criminal District Court	-20.0%
	District Attorney	-20.0%
	First City Courts	0.0%
	Juvenile Court	-24.4%
	Municipal and Traffic Court	-21.3%
	Public Defender	-20.0%
Outside Agencies	Alcoholic Beverage Control Board	0.0%
	Coroner's Office	-18.3%
	Ethics Review Board	-12.7%
	Municipal Participation Grants	-19.8%
	New Orleans Museum of Art	-20.0%
	Office of Independent Police Monitor	-12.7%
	Office of the Inspector General	-19.4%
	Registrar of Voters	-20.0%
	Sheriff	0.0%



# **2021 Budget Summary**

The 2021 budget package we are presenting today is solid - it is well thought out and comprehensive and takes into consideration the challenges we face.

- The Cantrell Administration has spent the last two years working diligently to stabilize and strengthen the fiscal position of the City.
  - We are at an extremely consequential point in time in our City's financial trajectory
- Due to the COVID-19 pandemic, the City of New Orleans is experiencing an unprecedented fiscal crisis, just like many Cities across the state and country.
  - As we look forward to 2021, one of the most important factors to consider is that the City will not carry a structural deficit into 2021.
- The City is being conservatively optimistic for the 2021 year, however, as economic conditions change, we will adjust our financial projections and operations accordingly.
  - The 2021 budget includes a rededication package for five millages that will not cause in increase in property taxes for residents.

31



**Questions?**